Government of the District of Columbia Office of the Chief Financial Officer



Jeffrey S. DeWitt Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt

Chief Financial Officer

DATE: October 24, 2016

SUBJECT: Fiscal Impact Statement - Specialty License Plate Amendment Act of

2016

REFERENCE: Bill 21-759, Draft Committee Print as shared with the Office of Revenue

Analysis on October 24, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

The bill establishes two new specialty vehicle tags that residents can obtain when they register their vehicles: one to support women military veterans and one to support bicycle safety awareness. The woman veteran tag will bear the phrase *woman veteran* or some other emblem. The bicycle awareness tag will publicize the rule that drivers must give a cyclist three feet of space when passing.¹ Residents must pay a \$25 application fee and a \$20 annual display fee for either tag. The fees for the woman veteran tag will be deposited into the Office of Veteran's Affairs Fund.² The fees for the bicycle awareness tag will be deposited into the Vision Zero Pedestrian and Bicycle Safety Fund.³

¹ Overtaking and Passing, effective February 6, 2009 (18 DCMR § 2202.10).

² Office of Veterans Affairs Establishment Act of 2001, effective October 3, 2001 (D.C. Law 14-28; D.C. Official Code § 49-1004).

³ Fiscal Year 2016 Budget Support Act of 2015, effective October 22, 2015 (D.C. Law 21-36; D.C. Official Code § 50-921.20).

The Honorable Phil Mendelson

FIS: Bill 21-759, "Specialty License Plate Amendment Act of 2016," Draft Committee Print as shared with the Office of Revenue Analysis on October 24, 2016

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The Department of Motor Vehicles can absorb any costs associated with the bill's implementation within existing resources. It will take three to six months for the Agency to work with the relevant District agencies and other organizations to design and produce the new tags before the Agency can offer them to vehicle registrants.

There are currently 308,000 active vehicle tags in the District and just over one percent are specialty or organizational tags.⁴ However, the number of residents who are willing to pay an additional fee for and register their cars with these new specialty tags is unknown. If drivers choose to obtain the new woman veteran or bicycle awareness specialty tags, then the application and display fees will be deposited respectively into the Office of Veterans Affairs Fund and the Vision Zero Pedestrian and Bicycle Safety Fund. The Office of Veterans Affairs and the District Department of Transportation operate these special purpose funds and the Mayor must request budget authority in order to spend any new revenues these tags may generate.

⁴ The Agency currently offers three specialty tags and twenty-eight organizational tags.